Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 17-915 September 21, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF UNITED COMMUNICATIONS HOLDINGS, LLC, UNITED TELEPHONE COMPANY D/B/A UNITED COMMUNICATIONS, UTC LONG DISTANCE, LLC, AND UNITED COMMUNICATIONS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-242

Comments Due: October 5, 2017

Reply Comments Due: October 12, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by United Communications Holdings, LLC (UCH), United Telephone Company d/b/a United Communications (UTC), UTC Long Distance, LLC (UTC-LD), and United Communications, Inc. (UCI) (formerly known as UTC Video Concepts, LLC) (collectively, Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.03-04 of the Commission's rules, requesting approval to transfer control of UCH and its subsidiaries UTC, UTC-LD, and UCL.

UCH, a Delaware limited liability company, does not itself provide any telecommunications services but wholly owns UTC and UTC-LD. UTC, in turn, wholly owns UCI. UTC, a Tennessee corporation, is a rural incumbent local exchange carrier (LEC) serving approximately 11,500 access lines in Bedford, Davidson, Franklin, Marshall, Maury, Moore, Rutherford, and Williamson counties in Tennessee. UTC-LD, a Tennessee limited liability company, provides resold long distance services to customers of UTC in the same service area. UCI, a Tennessee corporation, offers competitive LEC services in the state of Tennessee. The following U.S. based equity firm and U.S. citizens currently hold a 10 percent or greater interest in UCH: MSouth Equity Partners, LP (MSouth) (47.7 percent), William H. Bradford (President and Chief Executive Officer) (28.4 percent), and Eugene B. Johnson (Chairman) (21.8 percent).

The proposed transaction consists of a redemption and retirement of all the Class A (voting rights) and Class B (non-voting rights) membership interests in UCH held by MSouth. Applicants state

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants also filed applications for the transfer of authorizations associated with international and wireless services. On September 20, 2017, Applicants filed a supplement to their domestic 214 application. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications.

that post-consummation, MSouth will no longer have ownership interest in UCH which will then be controlled by Mr. Bradford and Mr. Johnson who will each hold 50 percent of the Class A voting units. Applicants further state that the post-consummation equity ownership of UCH (consisting of both the Class A and Class B units) will be held by Mr. Bradford (53.3 percent), Mr. Johnson (40.8 percent), and Michael F. Jury (5.8 percent), a U.S. citizen and employee of the company who currently holds Class B units amounting to a (3.1 percent) equity ownership interest in UCH. Applicants state that Mr. Bradford, Mr. Johnson, and Mr. Jury do not hold ownership interests in any other telecommunications service providers.

Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under Section 63.03(b)(1)(ii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.²

Domestic Section 214 Application Filed for the Transfer of Control of United Communications Holdings, LLC, United Telephone Company d/b/a United Communications, UTC Long Distance, LLC, and United Communications, Inc., WC Docket No. 17-242 (filed Sept. 8, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before October 5, 2017**, and reply comments **on or before October 12, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 3) David Krech, International Bureau, david.krech@fcc.gov;
- 4) Sumita Mukhoty, International Bureau, sumita.mukhoty@fcc.gov, and

² 47 CFR § 63.03(b)(1)(ii).

5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Gregory Kwan at (202) 418-1191.